



ELECTRONIC FUNDS AND MANAGEMENT POLICY

Rationale:

Internet (electronic) banking offers an online facility (via a website) which provides users with the ability to undertake various banking functions to increase the options and convenience provided to parents/debtors and to the school when paying creditors and staff.

Aims:

- To utilize the benefits of Internet Banking whilst ensuring the school's procedures and internal controls meet the requirements of the Department of Education and Early Childhood Development, *School and Electronic Funds Management Guidelines (2010)*.

Implementation:

- To successfully use the Commonwealth Bank, 'CommBiz' program to Direct Deposits as it has a two user authorisation of payments to ensure a greater degree of security and access controls.
- The school Business Manager cannot be nominated as an authoriser, even if he/she is a member of School Council.
- To successfully use Direct Deposit via the internet banking facility to allow freedom and flexibility to pay creditors by nominating their BSB and account number at the time of the transaction.
- To successfully use Electronic funds Transfer Point of Sale (EFTPOS) and BPAY to increase the options and convenience to parents and debtors as well as improving security by reducing the amount of cash handled and kept on school premises
- To ensure that all transactions involving internet banking are approved by school council.

Direct Debit

- A direct debit facility allows an external source eg: a regular supplier to remove funds of a pre-arranged amount from our school's official account on a pre-arranged date. Typical examples may include annual insurance premiums or monthly lease payments. Direct debit may also be used by suppliers to remove irregular amounts from the school as a result of pre-arranged agreements.
- The School Council requires all suppliers to provide tax invoice/statements to the school prior to direct debiting any funds from the school's account.

BPay

BPay is a secure electronic banking product identified on a supplier/creditor account with a unique biller code.

- All of the standard controls and processes related to creating and paying orders are to be met.
- Whilst it is possible to pay BPay amounts by telephone, our School Council requires that we make BPay payments via the internet.

'Pay Anyone' Facility

- This form of internet banking allows the school to pay funds directly into a person's or businesses nominated bank accounts eg: creditors or local payroll employee.
- Whilst this facility is particularly convenient and cost effective, it has minimal security. Consequently, internal controls surrounding the process at the school are critical. Such controls include:-
 1. Proper authorisation and approval of both the initial setting up of account details and any subsequent transactions against the account(s). The principal and the previously mentioned School Council nominee only are authorised to use the security token associated with the CommBiz internet banking software.
 2. The proper segregation of duties at all times.
 3. The safe, secure and confidential storage of information and data, including the storage of PIN's and security tokens in the school safe.
 4. Proper retention of all transactions relating to accounts such as purchase orders, tax invoices/statements, vouchers, payroll listings, signed or initialled screen prints and payee details, relevant CASES21 reports etc, including principal signed and dated internet transaction receipts attached to authorised payment vouchers.
 5. The retention of printed payment receipts that display all details of a payment so as to confirm payment details.
 6. Compliance with all bank imposed security measures, limits and requirements.
 7. Prior approval by School Council and minuting of a list of all personnel or creditors (including bank account details and payroll numbers) to be paid via the Pay-Anyone facility.
 8. The provision of printed documentation to the finance committee, School Council and auditors as required.
 9. That alternative procedures using the 'Pay-Anyone' facility exist during periods when the business manager or the principal are absent for an extended period.

EVALUATION

This policy will be reviewed as part of the school's review cycle.

Ratified by:	Date	
<i>Sub Committee</i>		
Staff		
School Council President		Name: Darrell Holden Signature:
Review Date:		